



Registered Party Handbook

EC 20229 (03/07)



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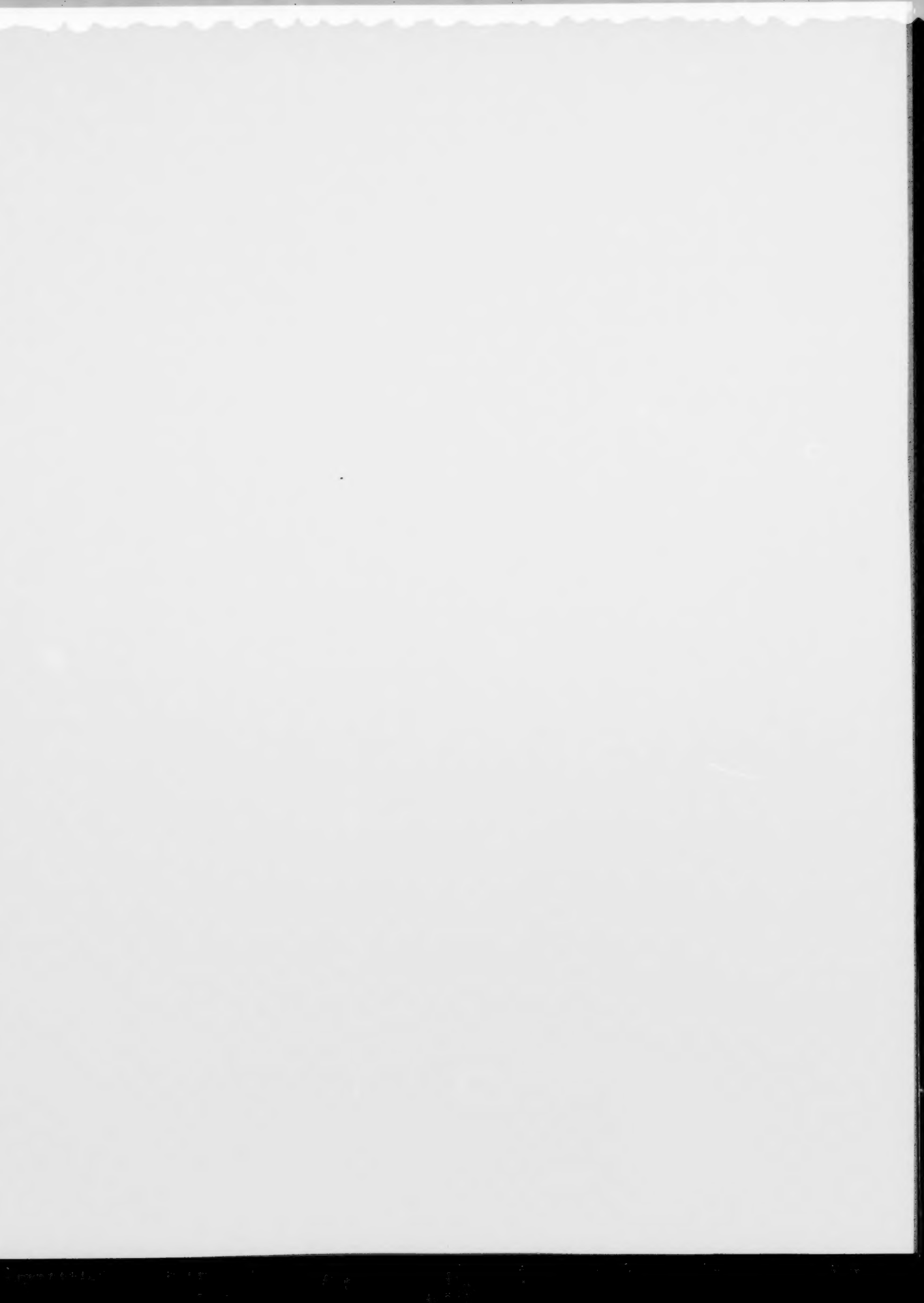
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1. Introduction

1.1 Purpose and scope of the handbook

This handbook provides registered parties with a general summary of the information they need to know when applying for registration under the *Canada Elections Act*. It also covers useful information such as procedures to be followed during general elections and by-elections, roles and responsibilities of key individuals, reporting requirements and regulations that parties must follow.

This handbook does not replace the relevant provisions of the Act, which set out the complete legal and financial requirements and obligations for registered parties. It does not take precedence over the legislation, and you should read it in conjunction with the Act.

This handbook has six main sections:

1. Introduction
2. Roles and responsibilities
3. Registration, deregistration and mergers
4. Financial administration
5. Reporting
6. Enforcement

Three appendices include information on broadcasting rights and restrictions, key terms and definitions, and examples of resolutions for changing the name or logo and the leader of a party.

1.2 Questions about this handbook

You should direct any questions about this handbook to the Office of the Chief Electoral Officer, more commonly known as Elections Canada. You can reach us directly by telephone on the support line at 1-800-486-6563, or by e-mail through our Web site at www.elections.ca. You can also write to us at:

The Office of the Chief Electoral Officer
257 Slater Street
Ottawa, ON
K1A 0M6


Representatives of registered parties often require more technical information than the general public. Please identify yourself when you communicate with us, so that we can promptly put you in touch with the appropriate specialist.


Please bring all alleged violations of the *Canada Elections Act* to the attention of the Commissioner of Canada Elections, in writing, by mail to 257 Slater Street, Ottawa, Ontario K1A 0M6 or by fax at 613-990-4877. The Commissioner is responsible for enforcing compliance with the Act. He or she assesses each case in relation to the law.

1.3 Additional reference material

You should read this handbook in conjunction with the accompanying material provided in the registered party's kit from Elections Canada. Many situations introduced here are illustrated, with examples, in the additional reference material.

1.4 Symbols used here

The  symbol beside documents mentioned in this handbook indicates documents that you can download from the Elections Canada Web site at www.elections.ca. For example:

The *Application to Register a Political Party* (EC 20225)-, which is referred to in subsection 3.2 of this handbook, is available on the main Elections Canada Web site.

2. Roles and Responsibilities

2.1 Registered party definition

A political party is an organization one of whose fundamental purposes is to participate in public affairs by endorsing one or more of its members as candidates and supporting their election. Political parties have reporting requirements under the *Canada Elections Act*.

The Act uses the following terms to describe political parties:

- *eligible party*: a party that has applied for registration under the Act but has yet to endorse a candidate at an election, as required by the Act, in order to become a registered party
- *registered party*: a party that is registered under the Act
- *deregistered party*: a registered party that has been deregistered under the Act

A political party that wishes to participate in a federal general election or by-election may apply to register with the Chief Electoral Officer. If a political party qualifies for registration, there are several advantages to registration, including:

- the ability to issue income tax receipts for political contributions
- receiving guaranteed broadcasting time
- receiving partial reimbursement of its paid election expenses, if it qualifies
- receiving quarterly allowances, if it qualifies
- being identified on the ballot with the candidates it endorses

2.2 Chief agent

Appointing a chief agent

The registered or eligible party must appoint an eligible person or corporation as its chief agent. To be eligible for appointment as chief agent, a person must be eligible to vote and must be capable of entering into contracts in the province or territory in which he or she ordinarily resides. For a corporation to be eligible, it must have been constituted under federal or provincial law, and it must be able to enter into contracts in the area for which it is appointed.

A chief agent is appointed according to a decision reached by the party's internal by-laws. The chief agent must accept the appointment in writing by signing a declaration to that effect. If a chief agent ceases to hold office for any reason, the party must appoint a new one immediately, and the leader must notify the Chief Electoral Officer in writing within 30 days of the change. The new chief agent must also accept the appointment in writing. A registered party may have only one chief agent at a time. [366, 376, 378, 379, 380]

Appointing registered agents

Subject to any terms and conditions that it specifies, a registered party may appoint persons or corporations to act as its registered agents. The restrictions on who is eligible to be a registered agent are the same as for a chief agent. A party must send a written report to Elections Canada within 30 days after it appoints an agent, certified by the party leader or the chief agent, and including the agent's name and address and any terms and conditions of the appointment. The party's registered agents act for the party within the terms specified in their appointment. They assist, and answer to, the chief agent. [375]

Appointing corporations as registered agents

A corporation incorporated under federal or provincial law is eligible to act as a registered agent of a registered party. The eligibility requirements are the same as for the chief agent. [376(1)]

Ineligibility for the position of chief agent or registered agent

The following persons are not eligible to act as a chief agent or registered agent of a party: [376(2)]

- an election officer or a member of the staff of a returning officer
- an auditor appointed under the Act
- a person who is not an elector or is not a corporation incorporated under federal or provincial law
- a person who does not have the capacity to enter into contracts in the province or territory in which he or she ordinarily resides
- a candidate
- an undischarged bankrupt

2.3 The chief agent's role

The chief agent is responsible for managing the party's finances in accordance with the Act. He or she must file with the Chief Electoral Officer the various reports and financial documents required by the Act.

Issuing receipts

The chief agent or the registered agents can issue two types of receipts to acknowledge contributions to the registered party. It is mandatory to issue receipts for monetary or non-monetary contributions of more than \$20.
[404.4]

For monetary contributions from eligible contributors, the chief agent and the registered agents may issue a receipt valid for income tax purposes to the contributor. However, the *Income Tax Act* prohibits a registered party from issuing official tax receipts for non-monetary contributions.

For all non-monetary contributions of more than \$20 and for a monetary contribution of more than \$20 for which a receipt valid for income tax purposes was not issued, the chief agent or registered agents must issue a receipt not valid for income tax purposes.
[404.4, *Income Tax Act*]

2.4 Auditor

Appointing an auditor

A registered or eligible party must appoint an eligible person, or a partnership of such persons, as its auditor. The auditor must be a member in good standing of a corporation, association or institute of professional accountants (CA, CGA, CMA). He or she must sign a declaration accepting the appointment. If an auditor ceases to hold office for any reason, the party must appoint a new auditor at once, and the party leader must notify the Chief Electoral Officer of the change in writing within 30 days. The new auditor must also accept the appointment in writing. A registered party may have only one auditor at a time.
[366(2)(g), 377(1), 378, 379, 380]

Eligibility for the position of auditor


Only the following are eligible to be an auditor for a registered party:
[377(1)]

- a person who is a member in good standing of a corporation, association or institute of professional accountants (CA, CGA or CMA)
- a partnership of which every partner is a member in good standing of a corporation, an association or an institute of professional accountants

Ineligible persons

The following persons are ineligible to be an auditor:
[377(2)]

- an election officer or a member of the staff of the returning officer
- a candidate
- an officer of a registered party or an eligible party
- an official agent of a candidate
- a chief agent or a registered agent of a registered party or an eligible party
- electoral district agents of registered associations
- leadership contestants and their leadership campaign agents
- nomination contestants and their financial agents
- financial agents of registered third parties

For further information on who may be an auditor for a registered party, please see Information Sheet 25: *Who May Be an Auditor Under the Canada Elections Act*. 

Appointment process

The appointment of the auditor must:
[366(2), 377(1)]

- be in writing
- include the auditor's name, mailing address and telephone number
- if a firm, include the name of the contact person
- include the effective date of the appointment
- be accompanied by the auditor's signed consent to act in this capacity

Change of auditor

If the auditor ceases to hold office for any reason or ceases to be qualified or eligible, or if the appointment is revoked, the registered party or the eligible party must appoint another auditor without delay. The registered party or the eligible party must report the change of auditor in writing to the Chief Electoral Officer within 30 days. The leader of the party must certify the report outlining the change.
[379, 382(1)]

Auditor's right of access to documents

The auditor must have access at any reasonable time to all documents of the registered party. He or she may require the registered agents and party officers to provide information or explanation that in his or her opinion is necessary to prepare the required financial reports.

[430(3)]

Responsibility of the auditor

The auditor prepares reports on all of the party's financial transactions. He or she examines the party's yearly returns and election expenses returns. He or she also provides an opinion on whether the returns fairly present the information contained in the financial records on which the reports are based, in accordance with generally accepted auditing standards.

[426, 430]

The auditor's opinion must indicate, if necessary, the following facts:

- The registered party's return does not fairly present the information contained in the financial records on which the return is based
- The auditor has not received all the required information from the registered agents or officers of the party including an explanation
- Based on an examination of the party's records, the party does not appear to have kept proper accounting records

[426(2), 429(1), 430(2)]

Auditor's fees

Registered and eligible parties are responsible for paying all audit-related fees.

3. Registration, Deregistration and Mergers of Parties

3.1 Overview

This section of the handbook contains specific information about:

- applying for registration as a political party under the Act
- completing the legal requirements and procedures of the application process
- making various appointments to the party
- making changes to the application
- registering, deregistering and withdrawing registration
- meeting the statutory obligations of eligible and registered parties
- merging registered parties
- nominating candidates

Sections 4 and 5 describe the mandatory financial and reporting requirements of registration.

Failing to comply with these requirements and obligations is an offence for political parties, subject to prosecution under the Act. Section 6 presents more detailed information about offences and their penalties.

3.2 Application requirements

The applicant

The leader of a political party applies to the Chief Electoral Officer to register the political party. The leader signs the *Application to Register a Political Party* (EC 20225)⁹ and sends it to the Chief Electoral Officer.
[366]

The *Application to Register a Political Party* (EC 20225)⁹ is available on request by calling 1-800-486-6563; it is also available on the Elections Canada Web site at www.elections.ca. There is no charge to register a political party.

Contents of application

The application must include:

[366(2)]

- the full name of the political party
- either the short-form name or the abbreviation of the party's name that will appear on election documents (such as the ballot)
- the party's logo, if any
- the name and address of the party leader and a copy of the party's resolution to appoint the leader, certified by the leader and another officer of the party
- the mailing address of the party's offices to which communications may be addressed and where records are kept
- the names and addresses of the party's officers and their signed consent to act
- the name and address of the party's auditor and his or her signed consent to act in that capacity
- the name and address of the party's chief agent and his or her signed consent to act in that capacity
- the names and addresses of a minimum of 250 electors, and their declarations in the prescribed form that they are party members and support the party's application for registration (Elections Canada will ask these persons to confirm their membership and support in writing)
- the leader's declaration in the prescribed form that one of the party's fundamental purposes is to participate in public affairs by endorsing one or more of its members as candidates and supporting their election

The entire application, including the names of the members, is a public document.

Restrictions on names

For the purposes of this handbook, the name of a political party includes its full name, short-form name or abbreviation, and logo. The names and logo of the political party applying for registration must not so resemble a name or logo of a registered party, eligible party or deregistered party that, in the opinion of the Chief Electoral Officer, it would likely be confused with it.

The party name must not include the word "independent" or any word so resembling it that it would, in the opinion of the Chief Electoral Officer, likely be confused with it. If the party intends to have French and English versions of the name, logo and short-form name or abbreviation, it must submit both versions with the application.

[368]

Information on party logo

If the party uses a logo, it is allowed under the Act to include it (symbol plus any words) with its application for registration, affixed in the space provided on the application form. If the party wishes the logo to be in colour, the colour version must accompany the application. When the party files its application for registration, it should submit two printed copies of the logo and the electronic file.

Sending the application

Before sending the application to the Chief Electoral Officer, the party leader should verify that:

[366]

- the application clearly shows the full name of the party, its short-form name or abbreviation, and logo (if any)
- the chief agent and the auditor have signed the declarations accepting their appointments
- the application for registration has been signed and dated
- the names, addresses and declarations of the 250 electors are correct and legible
- all the information requested has been properly entered

It is an offence for a leader of a party to provide the Chief Electoral Officer with information or a declaration that he or she knows is false or misleading.

Verification of the application by the Chief Electoral Officer

When the Chief Electoral Officer receives an application, the Registrar of Political Parties sends a confirmation form to the 250 party members listed on the application. The form asks them to confirm that they are party members and qualified voters and that they support the party's application for registration, and it instructs them to return the confirmation form to Elections Canada. It is strongly recommended that the chief agent provides more than the required number of names because experience shows that not all members whose names are included with the application mail the confirmation form back in a timely manner (375 is a reasonable number to make sure that there are 250 confirmations).

To confirm that one of the party's fundamental purposes is to participate in public affairs by endorsing one or more of its members as candidates and supporting their election, the Chief Electoral Officer may ask the party leader to provide relevant information, including:

- the party's constitution, articles of incorporation, letters patent or by-laws, or any other information that may indicate this purpose

- the party's political program, annual report to members, fundraising plan, advertising material and policy statements
- the nature and extent of the activities of the party and its registered associations and candidates, including the nature and extent of their involvement in electoral campaigns and any of their public statements in support of another political party or a candidate of another political party
- the funds received by the party and its registered associations and candidates, their sources and how they are used by the party (including funds used as election expenses)
- interactions of the party with other entities that are not recognized political parties under the laws of any province that may indicate that the party is under the direct or indirect control of another entity, or that the party is using its status as a registered party primarily for the purpose of providing financial assistance to another entity
- whether the party is a non-profit entity
[366(2), 521.1(5)]

Eligibility for registration

After the Chief Electoral Officer has verified that the party's application for registration is complete (that is, that at least 250 confirmations have been received and all other requirements have been met), that the information is accurate, and that the party has at least three officers in addition to its leader and has appointed a chief agent and an auditor, he or she will inform the leader of the party whether or not the party is eligible for registration. If the party is not eligible, the Chief Electoral Officer will indicate which requirements have not been met.

[369(1)]

Loss of eligibility for registration

A party can lose its eligibility for registration if the party fails to comply with the requirements of the *Canada Elections Act*.

[369(2)]

A party that is eligible for registration loses that status if it fails to endorse at least one confirmed candidate for an election.

[117(2), 370]

Reasons for losing eligibility

An eligible party can also lose its eligibility for registration if it:

- fails to report the name and address of any person appointed as the party's registered agent and any terms and conditions of appointment (a party must report this information within 30 days of being notified by the Chief Electoral Officer of its eligibility status)

[371]

- ceases to have at least three officers in addition to the leader of the party [374.1(1)]
- fails to appoint a replacement officer within 30 days in the event of the death, incapacity, resignation, ineligibility or revocation of the appointment of an officer that causes the party to have fewer than three officers in addition to the leader of the party [374.1(3)]
- fails to obtain the signed consent of its officers, the party's chief agent or the party's auditor to act in that capacity [378]
- fails either to replace the chief agent or auditor without delay if the position becomes vacant or to report the change to the Chief Electoral Officer [379]
- appoints more than one chief agent or auditor [380]
- fails to have at least 250 members who are electors [380.1]
- fails to report changes to the application information to the Chief Electoral Officer within 30 days of the change or to provide required information with that change [374.1(4), 382(1) and (4)]
- fails to attach the required resolution to report a change of party leader [382(3)]
- within 10 days of the issue of the writs for a general election, fails to report to the Chief Electoral Officer changes to the application information or to file a declaration confirming or amending the information about the party in the Registry of Political Parties [383(1)]
- on or before June 30, fails to report to the Chief Electoral Officer changes to the application information or to file a declaration confirming or amending the information about the party in the Registry of Political Parties [384]
- appoints an ineligible person as an officer, chief agent or auditor [374.1(2), 376, 377]

Withdrawing the application before registration

At any time before registration, an eligible party may withdraw its application by sending a request to withdraw to the Chief Electoral Officer. The leader must sign the request to withdraw the application.

[367]

3.3 Becoming registered – nomination of candidates

An eligible party becomes registered when it endorses at least one confirmed candidate in an election, so long as it applied for registration at least 60 days before the issue of the writ or writs for that election and has not withdrawn its application. An eligible party whose application was made after the 60 days before the issue of the writ or writs for that election becomes a registered party for the next general election, or for any by-election that precedes it, if it endorses at least one confirmed candidate in that next general election or by-election. The Chief Electoral Officer confirms the party's registration as soon as possible after a returning officer has confirmed a candidate's nomination. Confirmation occurs, at the latest, 48 hours after the close of nominations.

It is not the party's responsibility to nominate its candidates, but an instrument in writing signed by the leader of the party (or for a general election only, by a designated representative of the leader) that states that the prospective candidate is endorsed by the party must be filed with the nomination paper.

[67(4), 370]

One candidate per electoral district

A registered party or an eligible party may endorse only one prospective candidate in each electoral district for an election.

[68]

Only one party's name can appear on the ballot as endorsing a candidate. The Act does not expressly indicate whether more than one party can endorse a single candidate and have both party names appear on the ballot. However, in a letter to the Chair of the House of Commons Standing Committee on Procedure and House Affairs dated November 26, 1999, the Chief Electoral Officer explained his interpretation of the Act. In summary, he noted that given so many provisions of the Act requiring that votes for one candidate be associated with one party, it is not possible for two parties to officially endorse the same candidate. For example, reimbursing political parties' campaign expenses, allocating broadcasting time and nominating various election officers all depend on assigning the votes for a candidate to the one party that has endorsed that candidate.

Nomination process

The witness to the prospective candidate's statement consenting to his or her nomination must file the following documents with the returning officer before the close of nominations at 2:00 p.m. on Day 21:

[67(4)]

- a completed nomination paper
- a deposit of \$1,000
- a letter from the auditor consenting to act as auditor for the candidate
- if applicable, a letter signed by the party leader (or, for a general election only, by a designated representative of the leader) confirming that the party endorses the candidate

A prospective candidate can send the nomination paper, the letter of endorsement (if any) and the auditor's acceptance letter by fax, but not by e-mail. The candidate must send the \$1,000 deposit to the returning officer by other means. The returning officer must receive all originals within 48 hours of the close of nominations – that is, by 2:00 p.m. on Day 19.

Benefits of filing nomination papers early

There are a number of advantages to filing nomination papers early:

- During the verification process, if there is a problem with the nomination documents, a candidate can correct or replace them until 2:00 p.m. on Day 21. If the candidate files at the last minute, there is no opportunity to make any corrections once the deadline has passed. Except for changes to the name, address or occupation of the candidate as set out in the nomination papers, which must be made before 5:00 p.m. on Day 21. [71(3), 75]
- A candidate receives access to the preliminary voters lists upon request to the returning officer. [94]
- Official agents can issue tax receipts for contributions received or in transit for the period beginning on the day on which the candidate is officially nominated and ending on election day.

By nominating at least one candidate early, the party can be assured that it will be a registered party and subject to political party expenses limits and reimbursements, rather than being subject to the lower limits of a third party. Early nomination also ensures that the party's election advertising plans will not be disrupted.

Close of nominations

Nominations close at 2:00 p.m. on Monday, the 21st day before election day in all ridings.
[69]

Eligibility of candidates

Any person may be a candidate in an election if he or she is qualified as an elector (that is, a Canadian citizen who is at least 18 years of age at the time his or her nomination papers are filed) and who is not otherwise ineligible to be a candidate. To be a candidate, a person need not ordinarily reside in the electoral district in which he or she seeks election or be on any list of electors.
[3, 4, 65]

Confirmation or refusal of the candidate's nomination

The returning officer will verify the information in the nomination papers within 48 hours after receiving it. He or she will notify the candidate in writing at the end of that period whether the nomination is confirmed or refused.

The returning officer will conduct a detailed verification of the information in the nomination papers. This process includes verifying whether the persons who signed the nomination papers are in fact qualified electors in that electoral district.
[71]

Confirmation of registration of the eligible party

An eligible party becomes registered if it has at least one candidate whose nomination has been confirmed for an election and if the party applied for registration 60 days before the writs were issued. The Chief Electoral Officer will provide written confirmation of registration to the party leader. Registration is effective from the date of the issue of the writs for that election.
[370]

3.4 Benefits of being a registered political party

Registration confers many benefits on a party:

- The party may issue receipts valid for income tax purposes, which may be used by contributors to obtain tax credits.
[*Income Tax Act*, subsection 127(3)]
- The short-form name or abbreviation of the party appears on the ballots under the name of the confirmed candidates endorsed by the party.
[117(2)]

- Candidates endorsed by a registered party may transfer their surplus funds to a registered association of the party or to the registered party. All other candidates must remit surplus funds to the Receiver General for Canada.
[473]
- The party may qualify for a reimbursement of election expenses after a general election and after Elections Canada has received its election expenses return and auditor's report. A reimbursement of 50% of its paid election expenses will be paid to each registered party that receives at least 2% of the valid votes cast nationally or at least 5% of the valid votes cast in the electoral districts in which it endorsed a candidate.
[435]
- The party may qualify for quarterly allowances if it receives either 2% or more of the total number of valid votes cast nationally or 5% of the valid votes cast in those districts where the party sponsored candidates. The quarterly allowance payment is \$0.4375 (adjusted for inflation) multiplied by the number of valid votes cast in the election.
[435.01]
- At a general election, a registered party is allocated an amount of prime broadcasting time that it can purchase from broadcasters. This allocation is based on the party's results in the previous general election. Eligible parties can also purchase broadcasting time, and registered and eligible parties are entitled to an allocation of free broadcasting time. The allocation of free time is based on the allocation of paid time.
[335–348]
- A registered party or its candidates can provide the returning officer with names of suitable persons to act as election officers – revising agents, deputy returning officers, poll clerks and registration officers – in electoral districts in which candidates of the party finished first or second in the last election. The returning officer appoints these election officers from a list provided by the party.
[33, 34, 39]
- By October 15 of each year, a registered party can obtain from the Chief Electoral Officer the updated voters lists in electoral districts where its candidates ran in the last election.
[45, 110]
- The name of a registered or an eligible party is protected. New parties cannot register a name or logo that is likely to be confused with the name or logo of an existing registered or eligible party.
[368]
- The registered status of a party is maintained in the Registry of Political Parties for as long as the party meets the requirements of status. It does not need to reapply at each election.
[370, 374]

These benefits are lost if a party fails to maintain its registration as required by the Act.

3.5 Deregistration

Involuntary deregistration

In a general election, when the period for the confirmation of nominations expires, the Chief Electoral Officer will automatically deregister a registered political party that, at that time, has not endorsed a candidate in that general election.

[385]

If the Chief Electoral Officer is not satisfied that a registered party has the minimum number of officers or members, he or she must notify the party in writing that it is required to show its compliance within 60 days of the receipt of the notice in the case of party officers, and within 90 days in the case of party members. If the Chief Electoral Officer is satisfied that the party has made reasonable efforts to comply with the requirements for officers and members within the time set out in the notice, he or she may, in writing, grant the party a further 60 or 90 days, as the case may be, in which to comply. The Chief Electoral Officer will deregister a registered party that fails to comply with the notice.

[385.1]

If the Chief Electoral Officer deregisters a registered party for these reasons, he or she will notify the party and its chief agent. The Chief Electoral Officer will also notify the party's registered associations and their financial agents of the resulting deregistration of its registered associations.

[385.2]

The Chief Electoral Officer may also deregister a registered party if it fails to:

- file statements confirming or amending the information in the Registry of Political Parties within 10 days after the writs are issued
[383(1)]
- report on or before June 30 each year, confirming or amending the party's information in the Registry of Political Parties
[384]
- report changes to the party's information in the Registry of Political Parties within 30 days of those changes
- report a change to the party's name, short-form name or abbreviation, or logo
- report a replacement of the leader of the party
- report a replacement of the chief agent or auditor of the party within 30 days of his or her replacement
[378, 379, 382]

- report a change of registered agents of the party within 30 days of the change
[375]
- report either the dates of a leadership contest or its cancellation
[435.04]
- file a nomination contest report within 30 days after the selection of a nomination contestant
[478.02]
- within six months of its registration, file an audited statement of its assets and liabilities
[372]
- within six months of the end of the fiscal year, file the audited *Registered Party Financial Transactions Return* (EC 20239) [Ⓜ]
[424(4)]
- within six months of election day, file the audited *Registered Party Return in Respect of General Election Expenses* (EC 20240) [Ⓜ]
[387, 429]

If the Chief Electoral Officer believes that a party has contravened any of the above provisions, he or she will notify the party in writing by notice sent to all party officers in the Registry of Political Parties that it must provide the requested information within a specified period of time.

If a party fails to rectify the omission or does not convince the Chief Electoral Officer that the infraction was not the result of any negligence or lack of good faith on its part within the time period specified in the notice, the Chief Electoral Officer may deregister the party.
[389]

Voluntary deregistration

At any time other than during a general election, a registered political party may voluntarily apply to become deregistered. The Chief Electoral Officer can accept the application to deregister if it is signed by the party leader and any two party officers.
[388]

If the Chief Electoral Officer proposes to deregister a registered party, he or she will notify the party and its registered associations. This notice will specify the effective date of deregistration.
[389.1]

Court-ordered deregistration

If the Commissioner of Canada Elections has reasonable grounds to suspect that a registered party does not have as one of its fundamental purposes participating in public affairs by endorsing one or more of its members as candidates and supporting their election, he or she may notify the party in writing that it is required to show that this is one of its fundamental purposes.

After giving the party a reasonable opportunity to show what its fundamental purposes are, and if the Commissioner still has reasonable grounds to suspect that the registered party does not have as one of its fundamental purposes participating in public affairs by endorsing one or more of its members as candidates and supporting their election, he or she may apply to a court for an order to direct the Chief Electoral Officer to deregister the party. The court may direct the chief agent or another person specified by the court to liquidate the party's assets. The court may also direct the financial agent of each registered association of the party or another person specified by the court to liquidate the registered association's assets.

[521.1]

Publication of notice of deregistration

If a registered party becomes deregistered, the Chief Electoral Officer will publish a notice of deregistration in the *Canada Gazette*.

[390]

Effect of deregistration

The Chief Electoral Officer will change the status of the party from "registered" to "deregistered" in the Registry of Political Parties. The deregistered party then loses all the advantages of a registered party.

[390, 391]

Option for deregistered parties

A registered party that is deregistered by the Chief Electoral Officer for failing to endorse at least one candidate in a general election under section 385 of the Act, or for any other reason listed in this handbook, can choose to reapply to become an eligible party. The party can reapply by submitting an *Application to Register a Political Party* (EC 20225)⁶, using the same process as if it were applying for the first time.

Filing requirements for deregistered parties

Deregistered parties must:

- provide an audited election expenses return within six months of the day of deregistration for any general election for which the return and related documents have not been already provided
[392, 429]
- within six months of the day of deregistration, file the *Registered Party Financial Transactions Return* (EC 20239)[✓] for the portion of the fiscal period ending on the day of deregistration and any earlier fiscal period for which this document has not already been provided, together with the auditor's report and the chief agent's declaration about these statements.
[392]

3.6 Advertising expenses for deregistered parties

If an eligible party loses its eligibility, or if a registered party becomes deregistered during a general election but wishes to continue election advertising during the election period, and if it has spent or plans to spend \$500 or more on election advertising, the party must register as a third party. The party is then subject to the election advertising expenses limits applicable to third parties.

The maximum amount of election advertising expenses allowed is \$150,000 for a general election, but not more than \$3,000 per electoral district. The \$3,000 limit also applies to a by-election. These limits are indexed annually for inflation. The current limits are published on the Elections Canada Web site at www.elections.ca.

If the party has exceeded the election advertising expenses limit when it becomes deregistered or loses its eligibility, the party must stop all advertising, or it may face prosecution.
[349, 350, 503]

3.7 Mergers of registered parties

Applying for a merger

Two or more registered parties may apply to become a single registered party. This merger can occur at any time other than during the period beginning 30 days before the issue of a writ for an election and ending on election day. The application must include:
[400]

- certification of the application by each leader of the merging parties
- a resolution from each of the merging parties approving the proposed merger

- the information required in an application for registration, except that it is not necessary to submit the names, addresses and signatures of the 100 electors who are party members

Effective date of a merger

The Chief Electoral Officer must be satisfied that the merged party is eligible for registration as a political party under the Act, that the merging parties have reported their financial transactions and election expenses, and that they have observed all other requirements of the Act. If satisfied, the Chief Electoral Officer will amend the Registry of Political Parties by replacing the names of the merging parties with the name of the merged party. If a by-election or general election is called during this period, the Chief Electoral Officer cannot amend the Registry of Political Parties before election day.
[401(1), 402]

The Chief Electoral Officer will notify the merging parties in writing, and publish a notice in the *Canada Gazette*, that the names of the merging parties have been replaced in the Registry of Political Parties with the name of the merged party.
[401(2), 401(3)]

Consequences of a merger

The merger of two or more registered parties has these consequences:
[402(2), 402(3), 435.01(4)]

- The merged party is the successor of both merging parties. (The former parties cease to exist and no longer appear as parties in the Registry of Political Parties from the date of the merger.)
- The merged party becomes a registered party.
- The assets of each merging party belong to the merged party.
- The merged party is responsible for the liabilities of each merging party.
- The merged party is responsible for the obligations of each merging party to report on its financial transactions and election expenses for any period before the merger took effect.
- The merged party replaces each merging party in any legal proceedings – whether civil, penal or administrative – by or against a merging party.
- Any decision of a judicial or quasi-judicial nature involving a merging party may be enforced by or against the merged party.
- The registered associations of the merging parties will become deregistered.
- A merged party is entitled to the combined total of the allowances to which the merging parties would be entitled if they had not merged.

Financial information to be reported

Within six months of a merger, each of the merging parties must provide the Chief Electoral Officer with the *Registered Party Financial Transactions Return* (EC 20239)²⁰, the auditor's report and the chief agent's declaration about that return for the portion of the party's current fiscal period that ends on the day before the merger took effect, and for any earlier fiscal period for which those documents have not been provided.
[403, 424(1)]

4. Financial Administration

4.1 Contributions

Definition

A contribution may be monetary or non-monetary.
[2 "contribution"]

Monetary contributions

A monetary contribution is an amount of money provided that is not repayable.
[2 "monetary contribution"]

Non-monetary contributions

A non-monetary contribution is the commercial value of a service, or of property, or the use of property or money to the extent that they are provided without charge or at less than their commercial value.
[2(1) "non-monetary contribution"]

When a chief agent or registered agent receives a non-monetary contribution from an individual, he or she must obtain complete documentation about the commercial value of the goods or services donated, and the name and address of the individual.

Subject to its commercial value, the chief agent must report the contribution in the *Registered Party Financial Transactions Return* (EC 20239)⁴. As well, if the contribution is received during a general election, the amount of this non-monetary contribution must be reported as an expense in the *Registered Party Return in Respect of General Election Expenses* (EC 20240)⁴.
[2 "non-monetary contribution"]

Illegal contributions

It is illegal for anyone to solicit or accept a contribution on behalf of a registered party if that person or organization made a representation that any part of the contribution would be transferred to a person or entity other than the registered party, a candidate, leadership contestant or electoral district association. It is also illegal for anyone to collude with someone else to circumvent this prohibition.
[405.21]

Eligible contributors

Only an individual who is a Canadian citizen, or a permanent resident as defined in subsection 2(1) of the *Immigration and Refugee Protection Act*, can make a contribution to a registered party.

[404(1)]

A registered party must not receive an indirect contribution – one that comes from the money, property or services of another person or entity, if that other person or entity gave it to the contributor to make a contribution to the registered party.

[405.3]

For additional information on the prohibition on making indirect contributions, please see Information Sheet 10: *Making Contributions Using Money, Property or Services Given to One by Others for that Purpose*⁶.

Identification of contributors

The Chief agent must report all contributions to the registered party.

[424(2)(a)]

The chief agent must disclose in the registered party's return the name and address of any contributor who makes an aggregate contribution to the registered party in excess of \$200 and the amount and date on which the contribution was received.

[424(2)(b)]

All contributions must be made in the name of the original contributor and not in the name of a third party (that is, not in the name of the party remitting the contribution on behalf of the original contributor).

When a directed contribution from an individual is made through the registered party, and is later transferred to a Leadership Contestant, the Chief agent must provide in the party's return:

- the name and address of the contributor;
- the amount and date of the contribution
- the amount of the directed contribution
- the amount of the transfer from the party

[424(2)(c), (h.1)]

Acceptance of a contribution

A monetary contribution is deemed to be accepted when it comes into the hands of the chief agent. A non-monetary contribution is deemed to be accepted when the chief agent authorizes the use of the property or service.

Cash contribution limit

It is prohibited for an individual to make a cash contribution in an amount that exceeds \$20.

Ticketed fundraising functions

A ticketed fundraising activity is a function – such as a dinner or cocktail party – for which tickets are sold and which is held for the purpose of soliciting contributions for a registered party. The amount of the contribution is the difference between the price of the ticket and the fair market value of what the ticket entitles the purchaser to obtain. The chief agent must authorize all fundraising functions.

The chief agent must issue a receipt for the contribution portion of the admission price. This amount is a contribution made by the contributor. For all single or aggregate contributions over \$200, the chief agent must report the name and address of the contributor, as well as the amount and date of each contribution.
[2(1) "contribution", 408]

For example, if the chief agent organizes a dinner with a fair market value of \$45 per attendee, and charges \$250 for admission to the function, he or she must issue a receipt for \$205 to each ticket purchaser. The chief agent must record, in **part 2a** of the party's return, the date of the contribution, name, address and the amount of \$205 as contribution for each individual purchasing a ticket.
[2(1) "contribution", 404.4(1), 408]

Volunteer Labour

Volunteer labour is not considered a non-monetary contribution. Volunteer labour is defined as "means any service provided free of charge by a person outside their working hours, but does not include such a service provided by a person who is self-employed if the service is one that is normally charged for by that person".

[2(1) "volunteer labour"]

Commercial value

Commercial value is defined as the lowest amount charged at the time that a property or service was provided for the same kind and quantity of property or service, or for the same usage of property or money, by:

- the person who provided it, if the person is in the business of providing that property or service, or
- another person who provides that property or service on a commercial basis in the area where it was provided, if the person who provided the property or service is not in that business

When goods or services are provided to a registered party without charge or for less than commercial value, and the goods or services are used directly to promote or oppose a registered party or its leader during an election period, the chief agent must record the commercial value of the goods or services as an election expense as well as a contribution.

[2(1) "commercial value", 407(1)]

However, the commercial value of goods or services with a value of \$200 or less that are provided free of charge by a person who does not supply these goods or services commercially is deemed to be nil – it is neither a contribution nor an expense.

[2(2)]

For example, if a homeowner who is not a contractor supplies construction materials worth \$175 left over from the renovation of his or her home, the goods would not be considered an election expense or a contribution.

When a contribution of goods or services is made, the chief agent must issue a receipt for and record such contributions in the party's return, at commercial value.

Unpaid claims

With some exceptions, if an unpaid claim remains wholly or partly unpaid on the day that is 18 months after election day or 18 months after the end of the fiscal year, as the case may be, it is deemed to be a contribution to the party made on the day on which the expense was incurred and is subject to the contribution limits.

[423.1(1)]

Contribution limits

Any individual who is a Canadian citizen or permanent resident of Canada may make these contributions:

- up to \$1,000 in total in any calendar year to a particular registered party
- up to \$1,000 in total in any calendar year to the registered associations, nomination contestants and candidates of each registered party
- up to \$1,000 in total to each candidate for an election who is not the candidate of a registered political party
- up to \$1,000 in total to the leadership contestants in each leadership contest [405(1)]

The Act provides for maximum contribution limits of \$1,000, subject to an inflation adjustment on April 1 of each year. On January 1, 2007, the contribution limits were adjusted by the April 1, 2006, inflation factor and therefore established at \$1,100. For more information on current contribution limits, go to www.elections.ca > Election Financing > General Information on Election Financing > Limit on Contributions as of January 1, 2007.

[405.1]

There is no limit to a contribution made in an individual's will as an unconditional, non-discretionary testamentary disposition.

[405(2)]

Responsibilities concerning contribution limits

The registered agents must not knowingly accept contributions that exceed limits set out in the Act. However, the chief agent is not personally responsible for verifying that a contributor has not exceeded his or her total contribution limit for the year when accepting contributions from the contributor.

[404(2), 405.2(3)]

Issuing receipts

The chief agent or the registered agents of a registered party must issue a receipt for every monetary or non-monetary contribution to the party of more than \$20. The chief agent or registered agents of the party are the only people authorized to issue receipts.

[404.4(1)]

Official tax receipts

The chief agent or a registered agent may issue the contributor's copy of a receipt valid for income tax purposes only for a qualifying monetary contribution. Only the chief agent or a registered agent can sign the official tax receipts.

[*Income Tax Act*, 127(3)]

The chief agent or a registered agent is responsible for sending out all receipts valid for income tax purposes to the contributors to the registered party.

The chief agent or a registered agent must file the CRA form *Contributions to a Registered Party or to a Registered Association - Information Return* T2092 to the Canada Revenue Agency, Charities Directorate on or before June 30 of the year following the period covered by the return.

[*Income Tax Act*, 230.1(2)]

For further information about issuing receipts valid for income tax purposes, see the information circular published by the Canada Revenue Agency, IC75-2R7 *Contributions to a Registered Party, a Registered Association or to a Candidate at a Federal Election*. The circular can be obtained on the Elections Canada Web site at www.elections.ca.

No official tax receipts

The *Income Tax Act* prohibits issuing receipts valid for income tax purposes for non-monetary contributions.

[*Income Tax Act*]

Tax credits for contributors

Subsection 127(3) of the *Income Tax Act* provides tax credits for contributions of money to a registered party as follows:

- 75% of the first \$400
- 50% of the next \$350
- 33⅓% of the amount over \$750

Anonymous and ineligible contributions

Anonymous contributions

The following are anonymous contributions, whether monetary or non-monetary:
[425]

- contributions exceeding \$20 for which a registered agent does not have the name of the contributor
- contributions exceeding \$200 for which a registered agent does not have the name and address of the contributor

A registered agent must, without delay, pay the amount of any anonymous contribution – or in the case of an anonymous non-monetary contribution, an amount equal to its value – to the Chief Electoral Officer, who will forward the amount to the Receiver General for Canada.


[425]

Any anonymous contribution that was accepted by the registered agent must also be disclosed in **part 2d** of the financial party's return.

Anonymous contributions of \$20 or less may be solicited at a meeting using a "collection plate" or by "passing the hat." When this occurs, the registered agent must record the following:

- a description of the function at which the contributions were collected
- the date of the function
- the approximate number of people attending the function
- the total amount of anonymous contributions accepted

However, the registered agent must take measures to ensure that he/she does not accept contributions from ineligible contributors.

To record this information, the registered agent may wish to use the form *General Solicitation Contributions Record Keeping – Anonymous Contributions of \$20 or Less* (EC 20154) .
[404.4(2)]

The registered agent must enter the total amount of contributions received from such a collection under the category "Anonymous contributions from general solicitation at a meeting or fundraising event of \$20 or less" in **part 2a** the financial party's return.

If it is apparent that someone placed an amount exceeding \$20 in the collection, the registered agent must treat that contribution as anonymous and either return it or forward it to the Chief Electoral Officer, as discussed above.

Ineligible contributions

The following are ineligible contributions, whether monetary or non-monetary:
[405(1), 405.1]

- contributions from individuals who are not Canadian citizens or permanent residents, as defined in subsection 2(1) of the *Immigration and Refugee Protection Act*
- contributions from corporations
- contributions from trade unions
- contributions from unincorporated associations
- contributions in excess of the contribution limits set out in the Act

No person or entity may solicit or accept a contribution on behalf of a registered party if the person or entity made a representation to the contributor or potential contributor that part or all of the contribution would be transferred to a person or entity other than the registered party, a candidate, leadership contestant or electoral district association.

It is an offence to collude with a person or entity for the purpose of circumventing this prohibition.
[405.21]


Returning to the contributor

If a registered party receives an ineligible contribution, the chief agent must return it, unused, to the contributor within 30 days of becoming aware of it being ineligible. If this is not possible, the chief agent must pay the amount of it (or, in the case of a non-monetary contribution, an amount equal to its value) to the Chief Electoral Officer, who will forward the amount to the Receiver General for Canada.
[405.4]

4.2 Loans

If a party receives a loan, the chief agent must disclose its source and the amount of the principal in the registered party's fiscal return. The chief agent must include the name and address of the lender, the name of the guarantor and any conditions on the loan.
[424(3)]

If the interest rate being charged on a loan is less than a commercial interest rate, the chief agent must record a non-monetary contribution from the lender equal to the foregone interest on the loan.

The loan must only be disclosed in **part 2f** of the *Registered Party Financial Transactions Return* (EC 20239)  in the year in which the loan was obtained.

4.3 Registered party expenses

Definition of an election expense

An election expense includes any cost incurred, or non-monetary contribution received, by a registered party, to the extent that the property or service for which the cost was incurred, or the non-monetary contribution received, is used to directly promote or oppose a registered party or its leader during an election period.

Readily ascertained matters such as the time of incurring an expense, or the use of particular campaign materials, are useful factors in determining whether a particular expense falls within the statutory definition. These factors are important indicators of purpose. The test relates to the use of the product of the election expense, regardless of the time at which the expense was actually incurred. Whether the expense is incurred before or during an election, if the product of the expense is used during the election, it is considered an election expense. The chief agent must examine the purpose and effect of each cost to determine whether it is incurred as an integral part of an activity or endeavour for which the cost is within the definition of an election expense.

In certain cases, the product of an expense may be used for more than one purpose. For instance, literature promoting a registered party may be printed and distributed outside the election period. However, if the same material is used during the election, the cost of the number of literature items distributed during the election becomes an election expense.

[407(1)]

Expenses considered election expenses

Election expenses include a cost incurred for, or a non-monetary contribution related to:

[407(3)]

- the production of advertising or promotional material and its distribution in any media or by any means, even if incurred before the election, so long as the advertisement is used during the election period
- the payment, during an election period, of remuneration and expenses to, or on behalf of, a person for his or her services as chief agent or registered agent, or in any other capacity
- the cost, during an election, of securing a meeting space or supplying light refreshments at meetings
- conducting election surveys or other surveys or research during an election period
- any product or service provided by a government, a Crown corporation or any other public agency during an election (election advertising using a means of transmission of the federal government is prohibited)

[321]

Expenses not considered election expenses

The definition of election expenses does not include:

- expenses for a fundraising activity (except those expenses incurred for the production of advertising or promotional material, and its distribution in any media or by any other means)
- [407(2)]
- developing a registered party's policies or programs
 - developing a party's strategies
 - training a party's candidates and workers
 - the normal administrative costs of maintaining the party as a continuing entity
 - all other internal costs not incurred as an integral part of endeavours furthering the external exposure of the party

Election expenses limits

The *Canada Elections Act* imposes a limit on the election expenses a registered party may incur. This limit is based on the number of names appearing either on the preliminary voters lists or on the revised voters lists (whichever is greater) in the electoral districts where the party has endorsed an official candidate. The Act also provides for indexing the limits by applying an inflation adjustment factor, published annually in the *Canada Gazette*. Elections Canada provides these limits to the chief agent of each registered party on Day 31 and Day 7 before election day.
[414, 422]

Calculation of the maximum limit

The maximum amount allowable for the election expenses of a registered party is calculated as follows:

1. Multiply \$0.70 by the number of names on the preliminary voters lists for electoral districts in which the registered party has endorsed a candidate, or by the number of names on the revised voters lists for those electoral districts, whichever amount is greater.
2. Multiply the result of step 1 by the inflation adjustment factor in effect on the date of the issue of the writs for the election.
[414, 422]

Inflation adjustment factor

The inflation adjustment factor is the amount in effect for a period of **one** year beginning on April 1 of each year. It is a fraction consisting of the following:
[414]

- The numerator is the annual average Consumer Price Index published by Statistics Canada under the authority of the *Statistics Act* for the calendar year immediately before April 1, calculated on the basis that 1992 is equal to 100.
- The denominator is 108.6 (the annual Consumer Price Index for 1998, calculated on the basis that 1992 is equal to 100).

Application of election expenses

The following review of eight categories of expenses illustrates the Chief Electoral Officer's approach to analyzing expenditures. This may help the chief agent in considering variations of these categories as they arise.

Many of these expense categories involve much more complex combinations and variations than can be discussed here. This overview is limited to costs incurred for the purpose of

directly promoting a particular registered party or its leader during an election. Other costs meeting this definition may be incurred for the purpose of directly opposing another registered party or its leader during an election.

[407(1)]

National office

The chief agent should allocate the costs incurred by the national office of a registered party in accordance with the basic activities carried out by that office. He or she must consider the purpose of each activity to determine whether the costs incurred to carry out the activity qualify as election expenses. Needless to say, certain activities will not fall neatly within or outside the meaning of election expenses, and the chief agent will have to allocate the costs involved in a reasonable way. The election expenses return allows him or her to report these allocated costs. The party's external auditor must provide an opinion on the reasonableness of the allocation.

For the salaries of staff members or the cost of facilities, the method of allocation can be based on any breakdown that results in a fair allocation of costs. The chief agent can make an allocation for each component of costs – salary, equipment, supplies, materials, printing facilities and computer facilities. The Chief Electoral Officer will accept your basis of allocation provided that it is reasonable, in his or her opinion, and provided that the party's auditor agrees that the allocation is reasonable and in keeping with the guidelines in this handbook.

Canvassing, polling and research

Canvassing is carried out not merely to determine voter opinions, but also to seek support for the registered party and its leader, candidates, members, policies and programs. These costs fall within the definition of election expenses. As an example, any costs to the party incurred by campaign workers going door-to-door, canvassing voters (such as salaries, transportation, meals and lodging, and producing the materials handed out), are election expenses. Polling and research are explicitly included in the definition of election expenses.

Self-improvement and training of candidates and party workers

It is normal practice for parties to conduct organized training programs for candidates, chief agents and other campaign workers. Costs related to these training activities include transportation, meals and lodging for those attending, and preparing and printing manuals and other training aids. Although this activity may put the party in a better position to promote itself and its leader, the activity does not result in the direct promotion of the party. Therefore, the costs are not election expenses.

Advertising

The cost of acquiring broadcasting time or space in a periodical publication is specifically mentioned in the statutory definition of election expenses. In addition, all other forms of

advertising would, by their very nature, result in a form of public proclamation and thus public exposure of the party and its leader. These costs are clearly within the definition of election expenses.

Political broadcasts or similar programs by political parties that constitute election advertising are prohibited on election day before the close of all of the polling stations in the electoral district. See Appendix A for further information on broadcasting and its rules and procedures.

[328]

Identification of election advertising

The *Canada Elections Act* requires that during an election, all election advertising – pamphlets; brochures; television, radio, newspaper and magazine advertisements; lawn signs; billboards; bus signs and the like – bear an indication that it was authorized by a registered agent of the party. We suggest the following wording: “Authorized by the registered agent for the XYZ Party of Canada.”

[320]

Leader’s tour

A leader’s tour gives the leader national exposure, and it is generally well publicized by the media (members of which generally travel with the leaders and usually share the cost). The importance of the leader’s tour is reflected in the significant cost associated with it.

The leader’s tour is an election expense within the meaning of the *Canada Elections Act* because this expense is incurred for the purpose of directly improving the public image or acceptance of the party. In addition to the direct costs of chartering an aircraft, buses and other means of transportation, the party must include the costs of all other related items such as meals, refreshments, salaries of party staff assigned to the tour, communications equipment rented for the media and baggage handling.

Other travel and transportation

Parties may incur travel and transportation expenses for a variety of purposes. These expenses cannot be said to fall into the category of election expenses under the Act unless they are incurred for an activity intended to improve the public image or acceptance of the party or its leader, members, policies or programs.

Subject to the definition of commercial value, incidental expenses of both paid and volunteer workers for items such as meals, lodging and transportation are considered election expenses, and the chief agent should report them as such.

Expenses of Senators and Elected Members

Where a senator, or a person who is an elected member of the House of Commons or any provincial legislature, campaigns on behalf of a party, the expenses related to that person's involvement in the campaign are campaign expenses of the party and must be authorized beforehand by a registered agent.

For example, if a minister or other member of Parliament travels from Ottawa to assist in the party's campaign, the costs of travelling to the district, and the costs of accommodation and transportation within the district, are considered campaign expenses of the party.

However, if the minister's trip is carried out in conjunction with an official government function, using government-paid transportation, then the chief agent must allocate a proportionate share of the transportation, and accommodation and any other expenses to the party as an election expenses. This allocation should be made on the basis of the proportion of time spent on each activity.

Elections Canada will accept the basis of allocation used by the chief agent, provided that it is reasonable, in the opinion of the Chief Electoral Officer, and provided that the auditor agrees that the allocation is reasonable and in keeping with this handbook.

The chief agent or registered agent must pay the expenses of senators and elected members incurred while campaigning for a party because senators and elected members of Parliament are not eligible contributors to a party's campaign other than as individuals.

[404(1), 404.1(3)]

Exempt staff of Ministers, Party Leaders' and Parties' Employees

If the exempt staff of a minister or a party leader, or the research staff of a party, promote the party during an election, the costs related to their involvement in the campaign during normal working hours are election expenses.

For example, if a member of the minister's exempt staff engages in election campaign work for the party during normal working hours, the party must include and pay for a proportionate share of his or her salary and benefits (together with any direct costs such as travel and living expenses) as election expenses. The exempt staff of a minister or a party leader, or the research staff of a party, are not eligible contributors to a party's campaign, other than in their capacity as individuals, and they are subject to contribution limits. Exempt staff of ministers should check the rules governing their political activities.

[404(1), 404.1(3), 407(1)]

The Chief Electoral Officer will accept any basis of allocation used by the party provided that it is reasonable, in his or her opinion, and provided that the party's external auditor agrees that the allocation is reasonable.

Use of capital assets

A party may purchase certain capital assets for use during an election. It must assess the value of using a capital asset purchased for the election at the current commercial value – for example, the cost to rent a similar asset for the period of the election. The chief agent must record this cost as an election expense. If the asset is provided free of charge or at a nominal charge, this constitutes a non-monetary contribution, and the same rules apply as for other types of contributions.

If the party uses any other furniture or capital equipment for campaign purposes, it must allocate a portion of the cost of the equipment as an election expense.

Documentation

When a registered party incurs an electoral campaign expense of \$50 or more and it is paid by the chief agent, a registered agent or a person authorized in writing, the chief agent must keep a copy of the invoice prepared by the person who provided the goods or services to which the expense relates, together with proof that it was paid.

When a registered party incurs an electoral campaign expense of less than \$50 and it is paid by the chief agent or by a person authorized in writing by the chief agent, the person who made the payment must keep a record of the nature of the expense, together with proof that it was paid.

[410]

Petty cash

A person authorized in writing by the chief agent or a registered agent of a registered party may make payments from petty cash funds. The authorization must specify a maximum amount that the person is authorized to pay.

[411]

Presentation of claims

If a person has a claim to be paid for an expense incurred on behalf of a registered party, he or she must send the invoice or other document supporting the claim to the registered party or one of its registered agents within three months after the expense was incurred.

[417(1)]

A claimant is barred from recovering an unpaid claim if he or she sends the invoice (or other document evidencing the claim) to the party more than three months after the expense was incurred, unless the claimant has applied for and is granted an authorization from the Chief Electoral Officer for the late submission.

If the Chief Electoral Officer refuses the authorization, or if its conditions cannot be met, the claimant or a registered agent may apply to a judge to authorize payment of the

claim by a registered agent.
[417(2), 419]

If a claimant dies before the end of the three-month period without submitting the invoice or other document supporting the claim, a new three-month period begins on the day on which the claimant's legal representative becomes entitled to act for the claimant.
[417(3)]

Deadline for payment of claims

Within six months after the payment is due, a registered agent must pay every claim for expenses that was sent within three months of the expense being incurred.
[418]

Unpaid claims

Payment of unpaid claims

If a registered agent has not paid an invoice within six months of it being due, the amount owing can only be paid after it has been authorized by the Chief Electoral Officer. This authorization can be obtained either by the registered agent or by the claimant.

Any registered agent who pays a late invoice after those six months without an authorization is in contravention of the Act. If the Chief Electoral Officer refuses the authorization, or if its conditions cannot be met, the claimant or a registered agent may apply to a judge to authorize payment of a claim.
[420]

Deemed contributions

With some exceptions, if an unpaid claim mentioned in a financial transaction return or an election expenses return remains wholly or partly unpaid the day that is 18 months after the end of the fiscal period to which the return relates or in which the polling day fell, it is deemed to be a contribution to the registered party made on the day the expense was incurred and is subject to the eligibility requirements and contribution limits. These claims must be processed in the same manner as all other contributions and under the same rules.

The exceptions to this are if the claim:

- is the subject of a binding agreement to pay
- is the subject of a legal proceeding to secure its payment
- is the subject of a dispute about the amount the party is liable to pay or the amount that remains unpaid

- has been written off by the claimant as an uncollectible debt in accordance with the claimant's normal accounting practices

If any of these points apply to an unpaid claim, the chief agent must notify the Chief Electoral Officer before the 18-month period ends to avoid the claim being deemed to be a contribution.

[423.1]

4.4 Transfers from a registered party

Transfers from a registered party to a candidate

A registered party may transfer funds – other than trust funds – and goods and services to a candidate from the time his or her nomination is confirmed by the returning officer, without the transfer being considered to be a contribution.

Examples of such transfers are:

- the difference between the normal commercial value of merchandise paid by the party (such as printing and office supplies) and the price charged to the official agent by the party
- the regular salary of party employees assigned to assist the candidate in his or her campaign
- if the party and candidate share an advertisement, an allocation of the cost of commercial value of an advertisement paid for by the party based on the proportion that is used to promote or oppose the candidate

The candidate's official agent must report these transfers in his or her electoral campaign return.

A candidate's official agent must authorize all non-monetary transfers made by the party to the candidate. To the extent that the property or service transferred is used to promote directly the candidate during an election period, it is also an election expense incurred on behalf of the candidate, and it must be reported as such.

[407]

Prohibition on transfers to candidates after election day

The registered agent of a registered party may not transfer funds to a candidate after election day except to pay claims related to the candidate's electoral campaign.

[476]

Transfers from a registered party to a registered association

Without restriction, a registered party may transfer any goods, services or funds to any of its registered associations. These transfers must be accounted for in the returns of

both the party and the association, but they are not considered contributions.
[404.2]

Transfers from a registered party to a nomination or leadership contestant

A registered party is allowed to transfer goods and services to nomination or leadership contestants provided that the transfers are available to all contestants equally. These transfers must be reported in the returns of both the party and the contestant. A registered party cannot transfer funds to nomination or leadership contestants.
[404.3(1)]

Exceptions for leadership contestants

Registered parties may transfer funds to leadership contestants that come from directed contributions – that is, contributions that the contributor requests in writing be transferred to a particular contestant. Along with the amount of the deemed contribution, the party must send a report to the contestant, setting out the name and address of the contributor, the amount and date of the contribution, the amount of the directed contribution, the amount that the party is transferring and the date of the transfer. The *Statement of Directed Contributions Received and Transferred to a Leadership Contestant* (EC 20250)⁷⁶ may be used for this purpose. It is the leadership contestant's responsibility to submit this form with his or her return to the Chief Electoral Officer.

[404.2(3)(c), 404.3(3)]

4.5 Transfers to a registered party

Transfers to a registered party from a candidate or registered association

Candidates endorsed by the registered party and registered associations may transfer funds, goods or services to their affiliated registered party. The candidate, registered association and registered party must account for these transfers in their respective returns.

[404.2]

Transfers to a registered party from a nomination or leadership contestant

Nomination and leadership contestants may make monetary transfers to the registered party. The nomination contestants, the leadership contestants and the party must account for these transfers in their respective returns. Nomination and leadership contestants cannot transfer goods or services to the registered party.

[404.2]

4.6 Incurring election expenses on behalf of a candidate

Between the date of the issue of the writs for a general election and the day immediately after election day, a registered party or any person acting on its behalf may not incur

election expenses on behalf of a candidate for the purpose of promoting the election of a particular candidate or a person likely to become a candidate, other than the party leader, unless the expenses are incurred in the name of a specific candidate other than the party leader and are reported by the candidate in the electoral campaign return.

4.7 Reimbursement of election expenses

A registered party is eligible for reimbursement of election expenses if the party obtains 2% or more of the total number of valid votes cast nationally or 5% of the valid votes cast in electoral districts where the party has endorsed candidates.

Once a registered party has forwarded to the Chief Electoral Officer its *Registered Party Return in Respect of General Election Expenses* (EC 20240)^(b), the auditor's unqualified report and the chief agent's declaration, the Chief Electoral Officer will prepare and issue a certificate requiring the Receiver General for Canada to reimburse the party for 50% of its paid election expenses as set out in the return.

[435(1)]

Quarterly allowances to registered parties

A registered party that has received 2% or more of the total number of valid votes cast nationally, or 5% of the valid votes cast in electoral districts where the party has endorsed candidates in an election, is also eligible for quarterly allowance payments. These payments are calculated by multiplying the number of valid votes by \$0.4375 and are adjusted annually for inflation. Payment of the allowance will be delayed if the registered party is late in filing its annual *Registered Party Financial Transactions Return* (EC 20239)^(b), the *Registered Party Return in Respect of General Election Expenses* (EC 20240)^(b) or the *Registered Party Financial Transactions Quarterly Return* (EC 20211)^(b). Payment will not be issued until these documents have been submitted to the Chief Electoral Officer.

[435.01, 435.02(2)]

5. Reporting Requirements

5.1 Overview

This section contains general information about the non-financial and financial reporting requirements of registered parties throughout the year and for the specific purposes of general elections and by-elections. The chief agent of a registered party is responsible for administering its financial transactions and for reporting on them in accordance with the Act.

5.2 Reporting changes

Changes that must be reported

Registered and eligible parties must report any of the following changes in their party information to the Chief Electoral Officer within 30 days of the change:
[382]

- changes to the party's full name, short-form name or abbreviation, or logo (the party's resolution authorizing the change is required – see Appendix C for an example)
- changes to the party leader, including the name and address of the new leader (the party's resolution authorizing the change, certified by the new leader and another officer of the party, is required – see Appendix C for an example)
- changes to the address of the party's offices where records are maintained and to which communications may be addressed
- the names and addresses of the party's officers, auditor or chief agent (their signed consent to act as such must accompany the report of the change)
- changes to the names or addresses of the party's registered agents
- any other change to the information about the party contained in the Registry of Political Parties

The party leader must certify the report of a change listed above.

Non-financial filing requirements

By June 30 of each year, registered and eligible parties must report any changes to the information contained in the Registry of Political Parties or confirm that the information is correct. The leader of the party must sign or otherwise certify this report.

By June 30 of each year, registered parties and eligible parties must provide the Chief Electoral Officer with a declaration in the prescribed form by the leader that having considered all of the factors relevant to determining the party's purpose, one of the party's fundamental purposes is to participate in public affairs by endorsing one or more of its members as candidates and supporting their election.

It is an offence for a leader of a party to provide the Chief Electoral Officer with information or a declaration that he or she knows is false or misleading.

By June 30 of every third year, beginning in 2007, a registered party or an eligible party must provide the Chief Electoral Officer with the names and addresses of 250 electors and their declarations in the prescribed form that they are members of the party.

It is an offence for a member of the party to make a declaration that he or she knows is false or misleading.

[384, 384.1]

Registered and eligible parties must provide, within 10 days of the issue of the writs for a general election, a statement certified by the leader confirming the validity of the information on the party in the Registry of Political Parties; or, if there is a change in that information, a report on the change. If the leader has designated representatives to endorse candidates at a general election, the party must include with the statement or report a statement certified by its leader setting out the names of the representatives.


[383]

5.3 Filing requirements for nomination and leadership contests

Nomination contest report

When a nomination contest is held, the registered party, or the registered association if the contest was held by the registered association, must within 30 days after the selection date file a report with the Chief Electoral Officer setting out:

- the name of the electoral district, the registered association and the registered party that the nomination contest concerns
- the date on which the nomination contest began and the selection date
- the name and address of each nomination contestant as of the selection date and of his or her financial agent
- the name of the person selected in the nomination contest

A *Nomination Contest Report* (EC 20188)  may be used to meet this requirement, or the information may be supplied in another format provided that it contains all the required information.

[478.02]

Leadership contest report

If a registered party proposes to hold a leadership contest, the chief agent of the party must file with the Chief Electoral Officer a statement setting out the dates on which the leadership contest is to begin and end.

A registered party that proposes to vary the leadership contest period, or cancel a leadership contest, must file with the Chief Electoral Officer a statement setting out either the amended start or end date, or the fact of its cancellation.

[435.04]

In a person's application to register as a leadership contestant with Elections Canada, he or she must include a declaration signed by the chief agent of the registered party holding the contest, certifying that the party accepts the applicant as a leadership contestant.

[435.06(2)(c)]

A registered party that withdraws its acceptance of a leadership contestant must file with the Chief Electoral Officer a statement in writing to that effect, signed by the chief agent of the party and indicating the date of the withdrawal. The Chief Electoral Officer will enter the withdrawal of acceptance in the registry of leadership contestants.

[435.17]

5.4 Financial reporting for registered parties

Upon registration

Within six months of the date of its registration, a registered party must file a statement of the party's assets and liabilities (including any surplus or deficit as of the date of registration), the chief agent's signed declaration and the auditor's report on the statement.

[372]

Annual financial reporting

Within six months of the end of its fiscal period (which must be the calendar year), a registered party must file the *Registered Party Financial Transactions Return* (EC 20239)-⁶, the chief agent's signed declaration concerning the financial transactions and the auditor's report.

[373(1), 424]

Quarterly reporting for qualified registered parties

Registered parties that are eligible for quarterly allowances must file a *Registered Party Financial Transactions Quarterly Return* (EC 20211)-¹⁶ with Elections Canada within 30 days of the end of the fiscal quarter to which it relates.
[424.1]

General election expenses reporting

Within six months of election day for a general election, the chief agent of a registered party must send to the Chief Electoral Officer:
[429(1), 429(3)]

- a *Registered Party Return in Respect of General Election Expenses* (EC 20240)-¹⁶
- an auditor's report on the return
- a declaration by the chief agent concerning those election expenses

The election expenses return must set out each of the expenses incurred, whether paid or unpaid by the registered party for the general election.
[429(2)]

When an authorization is given for a claim to be paid after the election expenses return has been submitted to the Chief Electoral Officer, the registered agent must submit an updated version of the election expenses return.
[420]

5.5 Corrections and extensions

Correction by the Chief Electoral Officer

The Chief Electoral Officer may correct a registered party's election expenses return if the correction does not materially affect its substance.
[432(1)]

Correction at the request of the Chief Electoral Officer

The Chief Electoral Officer may, in writing, request that a registered party corrects the *Registered Party Return in Respect of General Election Expenses* (EC 20240)-¹⁶ or the *Registered Party Financial Transactions Return* (EC 20239)-¹⁶ within a specified time.
[432(2)]

The leader or chief agent of a registered party may apply to a judge for an order relieving the party from complying with a request to correct the return. The application must be made either within the time period specified by the Chief Electoral Officer for the correction or within two weeks after that period expires. The Chief Electoral Officer

must be notified of the application.

[434(1)(a), 434(2)(a)]

Registered party requesting authorization to correct a return

On the written application of the chief agent (or, if there is no chief agent, the leader), the Chief Electoral Officer may authorize a correction to the *Registered Party Return in Respect of General Election Expenses* (EC 20240)-⁶ or the *Registered Party Financial Transactions Return* (EC 20239)-⁶.

[433(1)(b)]

Registered party requesting authorization for an extension

If the chief agent cannot provide a return or the required accompanying materials by the specified deadline, before the deadline expires, the chief agent (or, if there is no chief agent, the leader) may apply to the Chief Electoral Officer for an authorization to provide the return, auditor's report and declarations within an extended time.

[433(1)(a)]

If the Chief Electoral Officer refuses the authorization, or if the extended deadline for filing the return cannot be met, within two weeks of the rejection (or within two weeks of the expiry of the extended period), the party leader or chief agent may apply to a judge to allow the return and declaration to be sent within an extended time. The Chief Electoral Officer must be notified of the application.

[434(1)(b), 434(2)(b)]

Registered party requesting authorization to pay an unpaid claim

If the chief agent reports a claim as unpaid in the *Registered Party Return in Respect of General Election Expenses* (EC 20240)-⁶ or the *Registered Party Financial Transactions Return* (EC 20239)-⁶, and the claim has still not been paid within six months of the due date, the unpaid claim can be paid only if the Chief Electoral Officer authorizes the payment after receiving a written request from the party leader or chief agent.

[419]

If the Chief Electoral Officer refuses the authorization, or if its conditions cannot be met, the claimant or a registered agent of the party may apply to a judge to authorize payment of the claim.

[420]

6. Compliance and Enforcement

6.1 Commissioner of Canada Elections and Director of Public Prosecutions

The Commissioner of Canada Elections is appointed by the Chief Electoral Officer. Both the Commissioner and the Director of Public Prosecutions have responsibilities for compliance and enforcement under the *Canada Elections Act*. The Commissioner assesses each case brought to his or her attention in light of the Act and the particular circumstances of the case.

If the Commissioner believes, on reasonable grounds, that an offence has been committed under the *Canada Elections Act*, he or she may refer the matter to the Director of Public Prosecutions, who will decide whether to initiate a prosecution. The prosecution of offences under the Act can be undertaken only with the prior written consent of the Director of Public Prosecutions. A prosecution for an offence under the Act must be instituted within five years of the day on which the Commissioner becomes aware of the facts giving rise to the prosecution and not later than ten years after the day on which the offence was committed.

In addition to the power to refer matters for possible prosecution to the Director of Public Prosecutions, the Commissioner may also apply for injunctions and enter into compliance agreements to ensure that the Act is complied with.

In an effort to educate and promote compliance with the Act, the Commissioner may issue a formal caution to a person who may have committed an offence under the Act.

During an election period, the Commissioner may apply to a competent court for an injunction if he or she has reasonable grounds to believe that a person has committed, is about to commit or is likely to commit an act or omission that is contrary to the Act. The court may order any person to refrain from committing any act that appears to the court to be contrary to the law or to do any act that appears to the court to be required by the law.

The Commissioner may also enter into a compliance agreement with any person to ensure compliance with the Act. For example, the Commissioner may enter into a compliance agreement if he or she believes on reasonable grounds that a person has committed, is about to commit or is likely to commit an act or omission that is contrary to the Act. A compliance agreement may contain any terms or conditions that the Commissioner considers necessary to ensure compliance with the Act.

Under section 521.1 of the Act, the Commissioner may apply to a court for an order to deregister a registered party if, after notice to the party, he or she still has reasonable grounds to suspect that a registered party does not have as one of its fundamental purposes participating in public affairs by endorsing one or more of its members as candidates and supporting their election.

6.2 Offences and Penalties

All of the offences and penalties for violations of the *Canada Elections Act* are found in Part 19 of the Act.

Penalties vary for convictions, depending on the offence, the procedure selected to prosecute and the seriousness of the offence. Many offences have penalties that can result in fines, imprisonment or both. Section 500 of the Act should be consulted with respect to the specific potential penalties for conviction for a particular offence.

[500]

The Act also enables a court to impose additional penalties when a person has been convicted, having regard to the nature of the offence and the circumstances surrounding its commission. A person may be liable, in addition to any other penalty, to:

- perform community service
- pay an amount to the Receiver General if the offence resulted in a financial benefit
- compensate any other person who has suffered damages as a result of the commission of the offence
- perform any obligation whose non-performance gave rise to the offence
- take any other reasonable measure that the court considers appropriate to ensure compliance with the Act

[501]

Certain offences, listed in section 502 of the Act, are known as “illegal and corrupt” practices. For persons convicted of illegal or corrupt practices, the Act provides for further penalties. As well as any other penalty that may be imposed, a person found guilty of one of these offences loses the right to be a candidate in a federal election, sit as a member in the House of Commons and hold any office to which the incumbent is appointed by the Crown or by Governor in Council. The time limit is five years in the case of an illegal act and seven years in the case of corrupt practices.

[502]

Many of the obligations imposed by the Act on registered or deregistered parties may give rise to an offence if a party or its officers or agents violate the obligations. Penalties vary according to the nature of the offence and the circumstances surrounding its commission.

If a registered party, its chief agent, a registered agent or one of its officers has been convicted of an offence referred to in subsection 501(3), having regard to the nature of the offence and the circumstances surrounding its commission, and in addition to any other punishment that may be imposed under the Act, a court may:

- direct the Chief Electoral Officer to deregister the party
- if it directs the deregistration of the party, direct the chief agent or another person specified by the court to liquidate the party's assets
- if it directs the liquidation of the party's assets, direct the financial agent of each registered association or another person specified by the court to liquidate the registered association's assets

Appendix A: Broadcasting

Introduction

This appendix provides information about the broadcasting rights and restrictions that registered parties need to be aware of going into an election. For detailed information, please refer to the *Canada Elections Act* and the *Broadcasting Act*. You may also wish to refer to the Elections Canada Web site at www.elections.ca, where you will find information about the most recent decision of the Broadcasting Arbitrator as well as past decisions.

Broadcasting Arbitrator

The *Canada Elections Act* provides for the appointment of a Broadcasting Arbitrator, who is the public official responsible for the administration of those sections of the Act that deal with political broadcasts. The Broadcasting Arbitrator manages the allocation of political broadcasting time under the Act and resolves disputes among broadcasters, political parties and candidates.

[332]

Allocation to registered political parties of broadcasting time for purchase

Paid broadcasting time is allocated as a result of a decision by the Broadcasting Arbitrator based on consultations among the registered parties. In making the allocation, the *Canada Elections Act* requires the Broadcasting Arbitrator to give equal weight to two considerations:

- the percentage of seats in the House of Commons held by each registered party at the previous general election
- the percentage of the popular vote of each registered party at the previous general election

The Broadcasting Arbitrator also gives half weight to the number of candidates endorsed by each of the registered parties as a percentage of all candidates endorsed by all registered parties at the previous general election. However, under no circumstances can a registered party be allocated more than 50% of total broadcasting time.

The Act provides that if the allocation arrived at by the above factors is, in the opinion of the Broadcasting Arbitrator, unfair to a registered party or contrary to the public interest, he or she may modify the allocation in any manner he or she considers appropriate, subject to the restriction that no party be given an allocation of more than 50 percent of the time.

During a general election, every broadcaster has to make available for purchase by the participating registered political parties a total of 6.5 hours, or 390 minutes, to transmit political announcements or other similar programs.

It is the responsibility of each party to produce its own political announcements and other programs. If a station is part of a network, any time sold on the network counts toward the station's obligation. The commercial value of broadcasting time must be reported as an election expense. There is an annual review of allocations of, and entitlements to, broadcasting time for purchase.
[332–338, 343]

Information concerning the broadcasting regime is available in the *Canada Elections Act*. It is also contained in guidelines published by the Broadcasting Arbitrator and the Canadian Radio-television and Telecommunications Commission (CRTC) within a few days of the issue of the writs. Past guidelines produced by the Broadcasting Arbitrator are available on the Elections Canada Web site.

Availability to eligible and registered political parties of free broadcasting time

In addition to dealing with allocations of broadcasting time for purchase, the *Canada Elections Act* provides for another category of broadcasting time to be made available to eligible and registered political parties – free broadcasting time.

For a general election, every network operator has to make broadcasting time available for the transmission of political announcements and similar programs at no cost to those eligible and registered political parties that requested an allocation of paid broadcasting time or indicated that they did not want an allocation of paid time. The minimum amount of broadcasting time that networks must make available to the parties must be no less than the free broadcasting time it made available for the same purpose during the previous general election. This time must be divided among eligible and registered political parties in the following manner:

- Two minutes should be given to every registered or eligible party that indicated to the Broadcasting Arbitrator that it did not want an allocation of paid broadcasting time.
- The remainder should be divided among the registered parties that were allocated paid broadcasting time and among eligible parties that requested an allocation of paid broadcasting time. The division of this remaining time is to be made in the same proportions as the paid broadcasting time allocated to each party.

For the purpose of allocating free broadcasting time, a network operator is an authorized operator of a network as defined in the *Broadcasting Act*. It does not include independent radio and television stations not part of such a network. Parties must refer to the provisions of the *Canada Elections Act* and the *Broadcasting Act* to identify which type of network operators are required to provide free broadcasting time to political parties. The value of free broadcasting time is not an election expense.
[345]

Further information about the free broadcasting regime is available in the guidelines published by the Broadcasting Arbitrator within two days of the issue of the writs. The Broadcasting Arbitrator's guidelines for past elections are available on the Elections Canada Web site.

Broadcasting Arbitrator's guidelines

Before the end of the second day after the writs for the general election are issued, the Broadcasting Arbitrator must issue a set of guidelines further to those of the CRTC. These guidelines contain:

- the allocations of broadcasting time to be provided to registered political parties and the allocations of broadcasting time to be provided to eligible political parties
- the procedures that both registered political parties and eligible political parties can use to book broadcasting time with broadcasters
- other matters relating to the conduct of broadcasters and network operators under the *Canada Elections Act*

These guidelines are made available on the Elections Canada Web site, as are guidelines from past elections.

To complement the rules of the Broadcasting Arbitrator, the CRTC issues additional rules to set out the way broadcasters and network operators must act in relation to the general election in question. The CRTC prepares its guidelines before the end of the fourth day after the writs for the general election are issued and sends both its guidelines and the guidelines prepared by the Broadcasting Arbitrator to all broadcasters and network operators.
[346, 347]

Election advertising

Election advertising is defined in the Act as the transmission to the public by any means during an election period of an advertising message that promotes or opposes a registered political party or the election of a candidate, including one that takes a position on an issue with which a party or candidate is associated. The Act also provides some exclusions, such as the transmission to the public of a debate, a speech, an interview, a column, a commentary or news. In the context of broadcasting, this means

that political broadcasts or similar programs of political parties that constitute election advertising are prohibited on election day before the close of all of the polling stations in the electoral district.

[319]

Broadcasting restrictions

There are four broadcasting restrictions that parties should be aware of to comply with the Act.

Blackout period

No person must knowingly transmit election advertising to the public in an electoral district on election day before the close of all of the polling stations in that district.

[319, 323]

Premature transmission of election results

On election day, it is an offence for anyone to transmit to the public in one electoral district the results of the vote in a different electoral district before the close of all of the polling stations in that other electoral district. For example, election results in Newfoundland and Labrador must not be posted on the Internet until the polls in British Columbia are closed.

[329]

Broadcasting public opinion survey results

There must be no public transmission in an electoral district on election day of the results of an election public opinion survey that were not previously made public.

In addition, the first person who transmits the results of an election survey to the public, as well as any other person who transmits the results to the public within 24 hours of their being first transmitted, must provide the following:

- the name of the sponsor of the survey
- the name of the person or organization that conducted the survey
- the date on which or the period during which the survey was conducted
- the population from which the sample of respondents was drawn
- the number of people who were contacted to participate in the survey
- the margin of error for the data obtained, if applicable

Additional requirements regarding the transmission of election surveys can be found in the *Canada Elections Act*, especially in section 326.

[326(1), 328]

Broadcasting from outside Canada

It is prohibited to broadcast from outside Canada election advertising with the intent to influence persons to vote or refrain from voting or to vote or refrain from voting for a particular candidate.

[330]

Appendix B: Key Terms and Definitions

These terms and definitions appear in the order of their relevance and are grouped by topic.

Political party

A political party is an organization one of whose fundamental purposes is to participate in public affairs by endorsing one or more of its members as candidates and supporting their election.

Registry of Political Parties

The Registry of Political Parties is an official registry of the information maintained by the Chief Electoral Officer on all registered and eligible political parties. It includes: [374]

- the full name of the party
- the short-form name of the party or its abbreviation, if any, that is to be shown in election documents
- the party logo, if any
- the name and address of the party leader
- the address of the party offices where records are maintained (records office) and to which communications may be addressed (headquarters)
- the names and addresses of the party officers
- the name and address of the party's appointed auditor and the auditor's signed consent to act in that capacity
- the name and address of the party's chief agent and the agent's signed consent to act in that capacity
- the names and addresses of the party's agents (registered agents), including the terms and conditions to which each appointment is subject
- the party's status (eligible, registered or deregistered)

Party's full name

A political party's full name is the most complete name by which the party is legally recognized as a political entity.

Party's short-form name or abbreviation

Most political parties also have a short-form name or abbreviation, which is used on election documents. Once a party is registered, its short-form name or abbreviation will appear on one line on the ballot. If the English and French versions are provided, it will be typeset to fit on one line (that is, the longer it is, the smaller the type size).

[117]

Logo

The logo of the party can consist of a letter, symbol, sign or design that is distinctive to the party. It may include a word or abbreviation of the party name, and it may also have distinctive colours.

[366]

Party leader

The party leader is the person who has the highest degree of power and responsibility in a political party. This person is authorized to sign and certify the party's legal documents and documents submitted to the Chief Electoral Officer.

Chief agent

The chief agent is the person or corporation that has the capacity to enter into legal contracts on behalf of the party. The chief agent must be capable of managing the registered party's financial affairs in accordance with the Act. The chief agent receives all party contributions, incurs and pays party expenditures and files financial reports with the Chief Electoral Officer. A party can have only one chief agent at a time.

[376, 380, 416]

Other registered agents

In addition to a chief agent, political parties can have other registered agents. These registered agents can act as the party's agent nationally or in a smaller region such as a province or city. Registered agents may be appointed by the party subject to any terms and conditions that the party specifies.

A report of the appointment of a registered agent must be made to Elections Canada within 30 days of the appointment. The report must include the person's name, address and the terms and conditions of the appointment. The report must be certified by the party leader.

Registered agents are subject to the same eligibility requirements as the chief agent (see section 2.2 of this manual).

Registered agents can accept contributions, and incur and pay expenses, on behalf of the party. Registered agents can also issue tax receipts.

[375, 416]

Auditor

The auditor is the person or partnership appointed by the party to perform the verification of the party's books and records in accordance with the legislation. The auditor is a person or partnership that is a member in good standing of a corporation, association or institute of professional accountants. A party's auditor is normally a chartered accountant (CA), certified general accountant (CGA) or certified management accountant (CMA). A party can have only one auditor at a time.

[377, 380]

Party officer

A registered party must have at least three officers in addition to the leader of the party. Examples of party officers are president, vice-president, treasurer and secretary. To be eligible to be an officer of a registered party or eligible party, a person must ordinarily reside in Canada.

In the event of the death, resignation, ineligibility or revocation of the appointment of a party officer, if the number of remaining officers is less than four, the party must appoint a replacement within 30 days. Within 30 days of the appointment of the replacement, the party must notify the Chief Electoral Officer by providing a report.

No person can continue to act as an officer of a registered party or eligible party if he or she knows that the party does not have as one of its fundamental purposes participating in public affairs by endorsing one or more of its members as candidates and supporting their election. The person can still sign an application for the voluntary deregistration of the party.

[374.1, 381.1]

Election

An election is either a federal general election or a federal by-election called to elect members to serve in the House of Commons.

[2 "election"]

Election period

The election period starts on the day the writs for a general election or a by-election are issued by the Chief Electoral Officer. It ends at least 36 days later, on election day.

[2 "election period", 57]

Election expense

An election expense is defined in the Act as any cost incurred (whether paid or unpaid), or any non-monetary contribution received by a registered party or candidate, to the extent that the property or service for which the cost was incurred or the non-monetary contribution was received is used to directly promote or oppose a registered party, its leader or a candidate during an election period.

[407(1), 407(4)]

Eligible party

An eligible party is a political party that has applied for registration and has been advised by the Chief Electoral Officer that it is eligible for registration (that is, the party's application requirements have been met). The Chief Electoral Officer will register the eligible party if:

- it has at least one candidate whose nomination has been confirmed for an election
- its application to become a registered party was made 60 days before the issue of the writ or writs for that election and the party has not withdrawn its application

[117(2), 368, 370]

Registered party

A registered party is a party that has met the registration requirements set out in the *Canada Elections Act*. An eligible party that becomes registered at an election is considered to have been registered from the date of the issue of the writs at that election.

[370(5)]

Third party

A third party is a person (including a corporation) or group other than a candidate, registered party or electoral district association of a registered party. It can also be an eligible or deregistered political party.

A group means an unincorporated trade union, trade association or other group of persons acting together by mutual consent for a common purpose.

A person or group must register as a third party when it incurs election advertising expenses during an election period to promote or oppose a registered party or the election of a candidate, including by taking a position on an issue with which a registered party or a candidate is associated.

[319, 349–362]

Returning officer

A returning officer is a person appointed by the Chief Electoral Officer and is responsible, under the general direction of the Chief Electoral Officer, for the preparation for and conduct of an election in his or her electoral district.

[24(2)]

Appendix C: Resolutions

Examples of a certified copy of a resolution changing the name or logo of a party

Resolution to Change the Name and Logo of the [Old Party Name]


Example 1

Be it resolved that the name, short-form name and logo of the [old party name] shall be changed as set out below, effective immediately.

Full name: **New Party Name** (English version)
Le nouveau nom du parti (French version)
 Short-form name: **New Name** (English version)
Nouveau nom (French version)
 Logo: 

Example 2

Be it resolved that the name, short-form name and logo of the [old party name] shall be changed as set out below, effective immediately.

Full name: **New Party Name** (English version)
Le nouveau nom du parti (French version)
 Short-form name: **New Name** (English version)
Nouveau nom (French version)
 Logo: 

Date

Anne Prefontaine, Secretary

Example of a certified copy of a resolution changing the party leader

Resolution to Elect a Leader of the [Party Name]

The matter being put to the vote for the delegates of the leadership convention of the [party name] on January 2, 2010, the delegates unanimously resolved that:

Ms. Manon Dubois be elected the Leader of the [party name], effective immediately

Date

Anne Prefontaine, Secretary

We, the undersigned, being the Leader of the [party name] and the Treasurer of that party, respectively, hereby certify that this resolution is a copy of the resolution passed by the delegates at a convention of the [party name] on January 2, 2010, electing Ms. Manon Dubois as the Leader of the [party name].

Date

Manon Dubois, Leader

Date

Allan Able, Treasurer

